

**BEFORE THE LABOR AND PUBLIC EMPLOYEES COMMITTEE  
CONNECTICUT GENERAL ASSEMBLY**

**IN OPPOSITION TO SB 1180 AN ACT  
CONCERNING RIDESHARE AND  
DELIVERY DRIVER MINIMUM  
STANDARDS**

Public Hearing: March 9, 2023

**TESTIMONY OF JOSH GOLD, UBER TECHNOLOGIES, INC. AND ITS  
AFFILIATES<sup>1</sup>**

Since 2014, Uber has enabled affordable transportation alternatives to Connecticut residents and unique, flexible earnings opportunities to Connecticut drivers. Similarly, through the heights of the Covid-19 global pandemic Uber's food delivery platform, UberEats, allowed small businesses to withstand lockdowns and provided consistent earnings for couriers. If adopted, SB 1180 would fundamentally change the experience drivers, couriers, and consumers (riders and eaters) have through the Uber platform.

Drivers and couriers choose the earnings opportunities available through the Uber platform because of the flexibility to drive and deliver where and when they want—to maximize their earnings potential. Mandating an earnings standard that incorporates the higher of 85% of a “rider fare” or per-minute and per-mile rates would make Connecticut one of the most expensive, if not the most expensive markets in the Country. Importantly, guaranteeing drivers 85% of rider fares may make operating in the State untenable given the high cost of insurance required by the state, payment processing, state required background checks and other costs borne by the company.

Uber provides drivers and couriers with substantial information when offering them rideshare or delivery trips, including the amount they can expect to earn (including an estimated tip amount for delivery trips), distance before the trip/delivery is accepted so that can make an informed decision about each job. Connecticut drivers earned an average of \$34.47 per utilized hour and spent an average of less than 20 hours per week on the Uber platform in Q4 2022.<sup>2</sup>

By implementing the proposed per-minute and per-mile standard, riders in Connecticut will see an average increase of 158% per trip. Such an extreme increase in rider price will negatively impact riders who rely on Uber for an affordable means of transportation and reduce the total number of trips available for drivers. This reduction in trip volume may ultimately result in an overall decrease in driver earnings.

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<sup>1</sup> “Uber” herein refers to Rasier, LLC and Portier, LLC. Rasier, LLC is a licensed Transportation Network Company (“TNC”) as defined in 13b-116 of the general statutes. Portier, LLC is an online marketplace operating under the brand name “UberEats” that connects licensed merchants and food retail partners with prospective customers and independent delivery service providers who seek, receive, and fulfill requests for food delivery services. Rasier, LLC and Portier, LLC are wholly-owned subsidiaries of Uber Technologies, Inc.

<sup>2</sup> Utilized hour includes both on trip and en route time.

SB 1180 appears to be modeled after the earnings standard established by the New York City Taxi and Limousine Commission (“TLC”) for High-Volume For-Hire Services. However, New York City drivers are professional drivers, not TNC drivers. In establishing the New York City rates, TLC was clear that the rates were meant to compensate drivers for the increased costs related to being a professional commercial driver, including commercial insurance and commercial licensing costs. Conversely, Connecticut TNC drivers are covered by insurance paid for by Uber and are not full time professional drivers. Moreover, the New York City time and distance rates are applicable only to the time drivers have a rider in the vehicle.

Restaurants on UberEats are critical to the local communities in which they operate, as well as to the success of our business. The platform helps consumers explore the merchant community, and builds a greater consumer base for small and medium businesses by connecting consumers to new restaurants and menu items.

Many small businesses rely on Uber’s supply of couriers to maintain their delivery business and offset the costs of full time couriers. SB 1180 will lead to negative outcomes, including raising prices for consumers, and reducing orders placed with merchants due to the increased costs.

Uber supports the ability for drivers and couriers to access earnings opportunities in New York, New Jersey, Massachusetts and Rhode Island. The restrictions on Connecticut drivers today are based entirely on the various regulatory regimes in place in the surrounding jurisdictions. Uber advocated against an ‘in state license’ requirement in New York and would welcome additional reciprocity. Still, by restricting access to earnings opportunities, SB 1180 does not penalize neighboring legislatures that established these restrictions; it only hurts people who rely on the opportunities provided on the Uber platform. What’s more, in Q4 2022 approximately three (3) percent of trips originating in Connecticut ended outside of Connecticut. Establishing restrictions outside of the current TNC rules and regulations is an over correction for such a small percentage of trips. Alternatively, where there are no legal prohibitions on couriers, Uber permits Connecticut couriers to accept delivery requests across the region.

Uber welcomes the opportunity to meet with members of the Committee to discuss these issues and others and answer any questions that the members may have. Thank You.

## Appendix A

Offer Card showed to a driver before they accept or decline a trip with no penalty

